



## MEMORANDUM

January 11, 2006

**TO:** All Management Agents

**FROM:** Donna McMillan, Director – Office of Asset Management

**SUBJECT:** 2005 & 2006 Premium Management Fee Guidelines

Requests for 2005 premium management fees (PMF) will be reviewed and evaluated based on factors dated 12/04. All PMF requests must be received **by Friday, March 10, 2006.**

We sincerely appreciate the patience you have all expressed while undergoing our 'growing pains' here at MSHDA with regard to the electronic submission of the MIE's and budgets via the internet, and therefore will not be considering compliance with this portion of these factors for 2005.

The following guidelines must be used when requesting Premium Management Fees for the 2005 calendar year. **2006 PMF changes and/or additions made from previous versions are to further clarify factors and are typed in Comic Sans bold.** Included with this mailing are:

**Attachment A**      **PREMIUM MANAGEMENT FEE APPLICATION**

All premium management fee requests should be submitted to the Authority using **Attachment "A"** (revised 12/05). This attachment indicates agent compliance with each of the premium management fee factors. Additional verification of compliance with the factors may be attached.

**Attachment B**      **REQUEST FOR PREMIUM MANAGEMENT FEE**

Owner(s), or an authorized ownership representative, must approve payment of the premium management fee by signing **Attachment "B"** (revised 12/05). This attachment must be included with the premium management fee application.

Management agents should evaluate their eligibility based on the premium management fee factors indicated on Attachment "A". If evaluation factors were met, requests may be submitted to the Authority for processing, using Attachments "A" and "B" noted above. Send all requests to:

**Michigan State Housing Development Authority  
Office of Asset Management  
735 East Michigan Avenue, P.O. Box 30044  
Lansing, Michigan 48909  
Attention: Maggie Droste**

Questions regarding the premium management fee process should be directed to Maggie Droste at 517-241-0369 or at [drostem@michigan.gov](mailto:drostem@michigan.gov).

## **PROGRAM DESCRIPTION:**

All agents under contract to manage MSHDA-financed housing developments may negotiate a basic management fee with the development's owner(s). The basic management fee cannot exceed the MSHDA-approved maximum management fee. The management fee is divided by 12 and collected monthly any time after the 1<sup>st</sup> day of the month that the fee is earned. The fee is not based on a percentage of collections.

Additionally, agents may negotiate a premium management fee with the development's owner(s) based on compliance with the premium management fee guidelines. The premium management fee cannot exceed **\$62.00 PUPY**. However, an owner can negotiate a premium fee less than **\$62.00 PUPY**.

Payment of the premium management fee: a) must be approved by the development owner and, b) the Director of the Office of Asset Management must determine compliance prior to disbursement. An agent is eligible to receive a premium management fee beginning at the mortgage cutoff date. However, a premium management fee cannot be paid until the development has final closed.

Applications for premium management fees will be reviewed annually after December 31<sup>st</sup>.

## **EVALUATION:**

The Director of the Office of Asset Management will not accept a premium management fee request for developments that failed to meet more than one of the criteria set forth. Management agents must evaluate requests based on the premium management fee factors provided.

## **PAYMENT OF THE PREMIUM MANAGEMENT FEE:**

Provided funds are available, payment of the premium management fee can be made to the agent from the development's operating account after requests are formally approved. Payment of the premium management fee is contingent on the development's liquidity position and completion of final closing at the time of approval. If funds are not available in the development's operating account when the request is formally approved, payment of the premium management fee can be accrued until such time as funds are available to pay the fee.

## **PRORATION OF THE PREMIUM MANAGEMENT FEE:**

Requests for 50% of the premium fee can be made **when only one of the twelve factors is denied** for any one development, except those factors determined by the Director of the Office of Asset Management to be mandatory. Failure to meet the criteria set forth for a mandatory factor will result in complete denial of the premium management fee, subject to appeal.

The following are considered **Mandatory Factors**:

- Mortgage Payments
- Material Default
- Delinquent Water & Sewer Bills
- Employee Dishonesty/Crime Coverage; Liability Coverage; Property and Umbrella Insurance Coverage
- Annual Certified Audit/Audit Fees
- Real Estate Tax and Property Insurance Escrows

**APPLICATION OF CONSUMER PRICING INDEX (CPI):**

The Authority applies the consumer pricing index to the premium management fee, not including shelter provisions.

**APPEALS:**

One appeal can be made to the Authority for denial of the premium fee. This appeal can be presented either in writing or by appointment before a panel. The request for an appeal must be in writing and submitted by a date determined by the Authority. The Authority's appeal decision is final.

## **EVALUATION FACTORS AND DESCRIPTIONS:**

### **1. Mortgage Payments**

All mortgage payments, including principal, interest, taxes, insurance and replacement reserves, must be received by the designated due date. Direct deposit of mortgage payments is not available at this time.

### **2. Material Default**

Any formal declaration of material default signed by an authorized officer of the Authority will result in denial of the premium management fee.

### **3. Annual Certified Audit/Audit Fees**

Annual Certified Audits must be accurate and meet the requirements established by the Audit Guidelines. Accurate submission includes any revisions requested in writing by Authority staff after the audit has been received. Audits must be received in the Authority's Lansing office no later than 120 days after the end of the year-end in question.

Audit Fees cannot exceed the rate allowed by the Authority for the year in which they were paid. Violations will result in denial of the premium management fee. Reimbursement of overpayments after December 31<sup>st</sup> of the year during which fees are overpaid will not change an unacceptable rating.

### **4. Monthly Income & Expenditure (MIE) Reports**

MIE reports must be received in the Authority's Lansing office no later than midnight on the 15<sup>th</sup> day of each month. Twelve consecutive MIE reports are evaluated, representing those due January 15<sup>th</sup> through December 15<sup>th</sup>. The MIE reports must be accurate and meet the requirements established by the MIE Guidelines. All MIE's must be electronically uploaded to the Authority's website and must also be electronically submitted to the Authority via internet e-mail. MIE's are due no later than midnight on the 15<sup>th</sup> day of the month following the reporting month. There are no exceptions to the 15<sup>th</sup> of the month due date, even if the 15<sup>th</sup> is on a weekend or a holiday. Internet delays or problems with submission are not an acceptable reason for late submissions. The first unacceptable MIE submission will result in an MIE Warning Letter. Any subsequent inaccurate MIE's submitted within a 12-month period following the MIE warning letter will result in denial of the premium fee.

### **5. Employee Dishonesty/Crime Coverage; Liability Coverage; Property and Umbrella Insurance Coverage**

All insurance coverage must adhere to Authority policy and be in effect for the entire applicable calendar year. Evidence that the policy continues in force, in the form of an annual renewal policy or Certificate, must be received by the Authority on or before the existing policy's stated expiration date. Also, funds to pay the premiums for all insurances except Employee Dishonesty/Crime coverage must be held in escrow by the Authority.

6. **Annual Operating Budget**

Annual operating budgets must: a) **hard copies must** be received in the Authority's Lansing office by the due date **and in the format** specified in the MSHDA Budget Guidelines and, b) meet accuracy requirements set forth in the annual Budget Guidelines, including all required attachments. **(In addition for 2006) c) the "Proposed 2007 Budget" amounts from the MSHDA #450 must be submitted into the MSHDA MITAS system by the due date specified in the MSHDA Budget Guidelines.**

7. **Operating Reserve Cash/Deferred Interest/MSHDA Subsidies/HOME Payments/Small Sized-Security Loan Payments/Escrow Shortages/Workout Payments/All Other Year-End Repayment Requirements**

Required payments must be submitted no later than 120 days after the development's year-end. Payments must:

- a) be mailed to the Authority's Lansing Office of Finance by the due date, **or**
- b) have management agent authorization to transfer funds held by MSHDA by the due date
- c) be waived in writing by the Director of the Office of Asset Management or other authorized officer of the Authority by the due date.

8. **Management Agreement/Management Fees**

The effective date of the management agreement is based on the "*Term of Agreement*" section of the management agreement, which is completed by Authority staff. The new management fee can only be paid or accrued after the date of Authority approval of the management agreement. Management fees may not be paid when non-identity of interest accounts payable are outstanding for more than 60 days.

**EFFECTIVE DATE OF PAYMENT OF MANAGEMENT FEES** - The effective date of payment of management fees is determined by the following:

- **Initial Management Fees:** The Director of the Office of Asset Management will determine the effective date of the initial Management Agreement submitted by a management agent. The Management Agreement specifies the amount of management fees that can be paid to the management agent.

**Management fees cannot be paid or accrued until the effective date in the "Term of Agreement" section of the Authority-approved initial Management Agreement.**

- **Subsequent Management Fees:** Subsequent approval of management fees is done

through the yearly budget process. The management fee approved by the Asset Managers in the budgets will be the maximum fee that can be paid to the management agent. This amount cannot exceed the maximum management fee approved by the Authority for 2006. The new management fee is effective with the first month of the new budget year.

## **9. Physical Inspection & Inspection Response**

The Management Agent/Owner must submit an acceptable written response to the development's Physical Inspection Report (Report) **no later than 30** days after the report is issued (cover letter date). The response must be submitted to the **physical inspection contractor and the Authority (Compliance Monitoring AND Asset Management)** and must address **all** items cited in the report. The response must include an Owner's Certification and Attachment A, which must be completed in the manner specified by the Authority to document corrective actions taken and the planned corrective actions to be taken in the future.

All physical inspection items must be corrected within the corrective action time frames specified in the cover letter. The following is a summary of the corrective action timeframes:

### **Corrective Action Time Frames:**

- **EH&S items** (Exigent Health & Safety/Life Threatening): Must be corrected as soon as physically possible, but **no later than three working days after the date of the inspection.** An Owner's Certification and Attachment A must be submitted to the inspection contractor and the Authority as prescribed in the physical inspection cover letter.
- **"Level 3" and Health & Safety items** (Non Life-Threatening): Must be corrected no later than **30 days** after the date the inspection report was issued (cover letter date). An Owner's Certification and Attachment A must be submitted to the inspection contractor and the Authority as prescribed in the physical inspection cover letter.
- **"Level 2" items:** Must be corrected no later than **60 days** after the date of the physical inspection. An Owner's Certification and Attachment A must be submitted to the inspection contractor and the Authority as prescribed in the physical inspection cover letter.
- **"Level 1" items:** Must be corrected no later than **6 months** after the date of the physical inspection. An Owner's Certification and Attachment A must be submitted to the inspection contractor and the Authority as prescribed in the physical inspection cover letter.
- **"M" Items:** Must be corrected no later than **6 months** after the date of the inspection, or a Request for Extension must be approved. An Owner's Certification and Attachment A must be submitted to the inspection contractor and the Authority as prescribed in the physical inspection cover letter.

**10. Tenant File Audit & File Audit Response**

The Management Agent/Owner must submit an acceptable written response to the development's File Audit Report (Report) **no later than 30** days after the report is issued (cover letter date). The response must be submitted to the **file audit contractor and to the Authority (Compliance Monitoring AND Asset Management)**. The response must address **all** items cited in the report and the corrective actions must be made within the due date(s) specified in the Report.

**11. Real Estate Tax and Property Insurance Escrow**

When escrow shortages occur, management agents must notify Multifamily Mortgage Servicing with arrangements to pay the shortage on or before the due date specified. Failure to respond to escrow shortage letters within the specified time period will result in denial of the premium management fee.

When tax and/or insurance bills cause a shortage in the escrow accounts, funds will be transferred from the opposite escrow, ORC or DCE Interest escrow accounts. If there are no excess funds available, Multifamily Mortgage Servicing (MFMS) will send a letter to the management agent requiring the escrow shortage to be funded within a specified number of business days. Failure to respond to the escrow shortage letter within the specified time period will result in denial of the premium management fee.

**12. Delinquent Water and Sewer Bills**

Delinquent water and sewer bills that remain unpaid and result in collection proceedings or lien placement by applicable governmental entities, will result in denial of the premium management fee for the development affected.

Any violation of these criteria will result in denial of the premium management fee (except as otherwise allowed in these PMF Guidelines), unless waived or approved in writing by the Director of the Office of Asset Management.

MICHIGAN DEPARTMENT OF LABOR & ECONOMIC GROWTH

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY  
735 East Michigan Avenue  
Lansing, Michigan 48913

**PREMIUM MANAGEMENT FEE APPLICATION**

MANAGEMENT AGENT: \_\_\_\_\_ CALENDAR YEAR: \_\_\_\_\_

DEVELOPMENT NAME: \_\_\_\_\_ MSHDA #: \_\_\_\_\_

NO.OF UNITS: \_\_\_\_\_

AMOUNT OF PREMIUM MANAGEMENT FEE PER UNIT: \_\_\_\_\_

TOTAL AMOUNT OF PREMIUM MANAGEMENT FEE REQUEST: \_\_\_\_\_

**CERTIFICATION:** An evaluation of our records verifies that we have met all of the requirements established by the Michigan State Housing Development authority's Premium Management Fee Guidelines as indicated below:

**MONTHLY INCOME & EXPENDITURE REPORTS:**

MIE reports must be received in the Authority's Lansing office no later than midnight on the 15<sup>th</sup> day of each month. Twelve consecutive MIE reports are evaluated, representing those due January 15<sup>th</sup> through December 15<sup>th</sup>. The MIE reports must be accurate and meet the requirements established by the MIE Guidelines. All MIE's must be uploaded to the Authority's website and electronically submitted to the Authority via internet e-mail. MIE's are due no later than midnight on the 15<sup>th</sup> day of the month following the reporting month. There are no exceptions to the 15<sup>th</sup> of the month due date, even if the 15<sup>th</sup> is on a weekend or holiday. Internet delays or problems with submissions are not an acceptable reason for late submissions. The first unacceptable MIE submission will result in an MIE Warning Letter. Any subsequent inaccurate or late MIE's submitted within a 12-month period following the MIE warning letter will result in denial of the premium management fee.

**Agent Response:**

1. Dates

Dates MIE's Submitted to MSHDA (**begin with the December MIE report which is due January 15<sup>th</sup>**):



**Attachment A - Premium Management Fee Application****2005-PMF**

Jan.	Feb.	March	April	May	June
_____	_____	_____	_____	_____	_____
July	Aug.	Sept.	Oct.	Nov.	Dec.
_____	_____	_____	_____	_____	_____

**Warning Letters:**

- \_\_\_\_\_ A. No warning letters regarding unacceptable MIE's were received from the Authority during the year.
- or -
- \_\_\_\_\_ B. A warning letter was received on \_\_\_\_\_ regarding minor errors in the preparation of the MIE. The MIE corrections were submitted to MSHDA on \_\_\_\_\_.

**ANNUAL CERTIFIED AUDIT COMPLIANCE:**

Annual Certified Audits must be accurate and meet the requirements established by the Audit Guidelines. Accurate submission includes any revisions requested in writing by Authority staff after the audit has been received. Audits must be received in the Authority's Lansing office no later than 120 days after the end of the fiscal year in question.

Audit fees cannot exceed the rate allowed by the Authority for the year in which they were paid. Violations will result in denial of the premium management fee. Reimbursement of overpayments after December 31<sup>st</sup> of the year during which fees are overpaid will not change an unacceptable rating.

**Agent Response:**

Auditing Firm: \_\_\_\_\_  
Fees Allowed for Audit Prepared During Calendar Year: \_\_\_\_\_  
Fees Paid for Audit Prepared During Calendar Year: \_\_\_\_\_  
Date Audit Delivered to MSHDA: \_\_\_\_\_

**EMPLOYEE DISHONESTY/CRIME COVERAGE/LIABILITY COVERAGE/PROPERTY AND UMBRELLA INSURANCE COVERAGE:**

All insurance coverage must adhere to Authority policy and be in effect for the entire applicable calendar year. **Evidence that the policy continues in force, in the form of an annual renewal policy or Certificate**, must be received by the Authority on or before the existing policy's stated expiration date. Also, funds to pay the premiums for all insurances, **except Employee Dishonesty/Crime** coverage, must be held in escrow by the Authority.

**Agent Response:**

Amount of Employee Dishonesty/Crime Coverage: \_\_\_\_\_

Expiration Date: \_\_\_\_\_

Date Delivered to MSHDA: \_\_\_\_\_

Amount of Liability &amp; Property Insurance: \_\_\_\_\_

Expiration Date: \_\_\_\_\_

Date Delivered to MSHDA: \_\_\_\_\_

Amount of Umbrella/Excess Umbrella Insurance: \_\_\_\_\_

Expiration Date: \_\_\_\_\_

Date Delivered to MSHDA: \_\_\_\_\_

**ANNUAL OPERATING BUDGET:**

Annual operating budgets must: a) be received in the Authority's Lansing office by the due date specified in the MSHDA Budget Guidelines and, b) meet accuracy requirements set forth in the annual Budget Guidelines, including all required attachments

**Agent Response:**

Due Date for Budget Submission: \_\_\_\_\_

Date Budget Package Delivered to MSHDA: \_\_\_\_\_

Date Approval Received From MSHDA: \_\_\_\_\_

**OPERATING RESERVE CASH/DEFERRED INTEREST/MSHDA SUBSIDIES/HOME PAYMENTS/  
SMALL SIZED-SECURITY LOAN PAYMENTS/ESCROW SHORTAGES/WORKOUT PAYMENTS/  
ALL OTHER YEAR-END REPAYMENT REQUIREMENTS:**

Required year-end payments must be submitted no later than 120 days after the end of the development's fiscal year. In addition, payments must:

- a) be received by the Lansing MSHDA Office of Finance by the due date, **or**
- b) have management agent authorization to transfer funds held by MSHDA by the due date, **or**
- c) be waived in writing by the Director of Asset Management or an authorized officer of the Authority by the due date.

**Agent Response:**

Due Date for Operating Reserve Cash Submission: \_\_\_\_\_

Date Delivered to MSHDA: \_\_\_\_\_

Amount Due: \_\_\_\_\_

**Attachment A - Premium Management Fee Application****2005-PMF**

Amount Submitted: \_\_\_\_\_

**-or-**

Date Transfer Instructions Received: \_\_\_\_\_

**-or-**

Date Waiver Requested: \_\_\_\_\_

Date Waiver Approved by MSHDA: \_\_\_\_\_

Due Date for Deferred Interest: \_\_\_\_\_

Date Delivered to MSHDA: \_\_\_\_\_

Amount Due: \_\_\_\_\_

Amount Submitted: \_\_\_\_\_

**-or-**

Date Transfer Instructions Received: \_\_\_\_\_

**-or-**

Date Waiver Requested: \_\_\_\_\_

Date Waiver Approved by MSHDA: \_\_\_\_\_

Due Date for MSHDA Subsidy Repayment: \_\_\_\_\_

Date Delivered to MSHDA: \_\_\_\_\_

Amount Due: \_\_\_\_\_

Amount Submitted: \_\_\_\_\_

**-or-**

Date Transfer Instructions Received: \_\_\_\_\_

**-or-**

Date Waiver Requested: \_\_\_\_\_

Date Waiver Approved by MSHDA: \_\_\_\_\_

**MATERIAL DEFAULT**

Any formal declaration of a material default signed by an authorized officer of the Authority will result in denial of the premium management fee.

**Agent Response:**

\_\_\_\_\_ There were no formal declarations of material default during the year.

**MANAGEMENT AGREEMENT/FEEES**

The effective date of the management agreement is based on the "*Term of Agreement*" section of the management agreement, which is completed by Authority staff. The new management fee can only be paid or accrued after the date of Authority approval of the management agreement. Management fees may not be paid when non-identity of interest accounts payable are outstanding for more than 60 days.

**Agent Response:**

**Attachment A - Premium Management Fee Application****2005-PMF**

Approval Date of Management Addendum or Agreement in Effect for the Premium Management Fee Year Under Consideration: \_\_\_\_\_

Total Amount of Management Fees Paid During the Calendar Year? \_\_\_\_\_

Total Amount of Management Fees Allowed by the Management Agreement(s) in effect During the Calendar Year: \_\_\_\_\_

Amount of Previous Year Payables Paid During the Calendar Year: \_\_\_\_\_

Period During Which the Payables Were Earned:

\_\_\_\_/\_\_\_\_/\_\_\_\_      \_\_\_\_/\_\_\_\_/\_\_\_\_  
MO. YR.      MO. YR.  
\_\_\_\_/\_\_\_\_/\_\_\_\_      \_\_\_\_/\_\_\_\_/\_\_\_\_  
MO. YR.      MO. YR.

☐ **YES**      **NO** Were management fees paid with non-identity of interest payables outstanding over 60 days?

**MORTGAGE PAYMENTS:**

All mortgage payments including principal, interest, taxes, insurance and replacement reserve escrows, must be received by the due date. Direct deposit of mortgage payments is not available at this time.

**Agent Response:****Mortgage Payments Were Paid On The Following Dates:**

Jan.	Feb.	March	April	May	June
_____	_____	_____	_____	_____	_____
July	Aug.	Sept.	Oct.	Nov.	Dec.
_____	_____	_____	_____	_____	_____

☐ **YES**    ☐ **NO** Were any mortgage delinquency notices received from MSHDA during the \_\_\_\_\_ year?

**Physical Inspection & Inspection Response**

The Management Agent/Owner must submit an acceptable written response to the development's Physical Inspection Report (Report) **no later than 30** days after the report is issued (cover letter date). The response must be submitted to the **physical inspection contractor and the Authority (Compliance Monitoring AND Asset Management)** and must address **all** items cited in the report. The response must include an Owner's Certification and

Attachment A, which must be completed in the manner specified by the Authority to document corrective actions taken and the planned corrective actions to be taken in the future.

All physical inspection items must be corrected within the corrective action time frames specified in the cover letter. The following is a summary of the corrective action timeframes:

**Corrective Action Time Frames:**

- **EH&S items** (Exigent Health & Safety/Life Threatening): Must be corrected as soon as physically possible, but **no later than three working days after the date of the inspection.** An Owner's Certification and Attachment A must be submitted to the inspection contractor and the Authority as prescribed in the physical inspection cover letter.
- **"Level 3" and Health & Safety items** (Non Life-Threatening): Must be corrected no later than **30 days** after the date the inspection report was issued (cover letter date). An Owner's Certification and Attachment A must be submitted to the inspection contractor and the Authority as prescribed in the physical inspection cover letter.
- **"Level 2" items:** Must be corrected no later than **60 days** after the date of the physical inspection. An Owner's Certification and Attachment A must be submitted to the inspection contractor and the Authority as prescribed in the physical inspection cover letter.
- **"Level 1" items:** Must be corrected no later than **6 months** after the date of the physical inspection. An Owner's Certification and Attachment A must be submitted to the inspection contractor and the Authority as prescribed in the physical inspection cover letter.
- **"M" Items:** Must be corrected no later than **6 months** after the date of the inspection, or a Request for Extension must be approved. An Owner's Certification and Attachment A must be submitted to the inspection contractor and the Authority as prescribed in the physical inspection cover letter.

**Agent Response:**

Date of Annual Inspection: \_\_\_\_\_  
Date Report Received by Management Agent: \_\_\_\_\_  
Date Response Sent to MSHDA: \_\_\_\_\_  
Date "EH & S" Items Were/To Be Completed (if applicable): \_\_\_\_\_  
Date "Level 3" Items Were/To Be Completed (if applicable): \_\_\_\_\_  
Date "Level 2" Items Were/To Be Completed (if applicable): \_\_\_\_\_  
Date "Level 1" Items Were/To Be Completed (if applicable): \_\_\_\_\_  
Date "M" Items Were/To Be Completed (if applicable): \_\_\_\_\_

- ☐ **YES**   ☐ **NO** All repairs due within this premium management fee year were completed by the due dates outlined in the response to the annual inspection.

If no,    Date Plan of Action Submitted to MSHDA: \_\_\_\_\_  
            Date Plan of Action Approved by MSHDA: \_\_\_\_\_

### **TENANT FILE AUDIT & FILE AUDIT RESPONSE**

The Management Agent/Owner must submit an acceptable written response to the development's File Audit Report (Report) **no later than 30** days after the report is issued (cover letter date). The response must be submitted to the **file audit contractor and to the Authority (Compliance Monitoring AND Asset Management)**. The response must address **all** items cited in the report and the corrective actions must be made within the due date(s) specified in the Report.

- ☐ **YES**   ☐ **NO** Agent/Owner submitted an acceptable response to the File Audit Report  
            Date Report Submitted: \_\_\_\_\_
- ☐ **YES**   ☐ **NO** Agent/Owner response addressed all items cited in the Report.
- ☐ **YES**   ☐ **NO** Any corrective actions were made by the due date specified.

### **REAL ESTATE TAX AND PROPERTY INSURANCE ESCROW**

Real Estate Tax and Property Insurance billings must be paid in a timely manner. When escrow shortages occur, management agents must notify Multifamily Mortgage Servicing with arrangements to pay the shortage on or before the due date specified. Failure to respond to escrow shortage letters within the specified time period will result in denial of the premium management fee.

#### **Agent Response:**

- Real Estate Tax Bill Due Date: \_\_\_\_\_
- Escrow Shortage Notification received from MFMS: \_\_\_\_\_
- Date Agent Responded to shortage notification: \_\_\_\_\_
- Date Real Estate Tax Bill Paid: \_\_\_\_\_
  
- Property Insurance Bill Due Date: \_\_\_\_\_
- Escrow Shortage Notification received from MFMS: \_\_\_\_\_
- Date Agent responded to shortage notification: \_\_\_\_\_

- Date Property Insurance Bill Paid: \_\_\_\_\_

**DELINQUENT WATER AND SEWER BILLS**

Delinquent water and sewer bills that remain unpaid and result in collection proceedings or lien placement by applicable governmental entities, will result in denial of the premium management fee for the development affected

**Agent Response:**

\_\_\_\_\_ There were no unpaid delinquent water and sewer bills during the year.

Any violation of these criteria will result in denial of the premium management file (except as otherwise allowed in the most recent PMF Guidelines), unless waived or approved in writing by the Director of the Office of Asset Management.

**SUBMITTED AND CERTIFIED BY:**

**Name & Title:** \_\_\_\_\_

**Authorized Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**ATTACHMENT B**

**MICHIGAN DEPARTMENT OF LABOR & ECONOMIC GROWTH**

**MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY**

**735 East Michigan Avenue  
Lansing, Michigan 48913**

**REQUEST FOR PREMIUM MANAGEMENT FEE**

**Development Name:**\_\_\_\_\_ **MSHDA #:**\_\_\_\_\_

**Amount of Premium Management Fee Requested (per unit):**\$\_\_\_\_\_

**Calendar Year Beginning:**\_\_\_\_\_ **20**\_\_\_\_\_ **Ending:**\_\_\_\_\_ **20**\_\_\_\_\_

**Management Agent:**\_\_\_\_\_

As the authorized representative of the Ownership entity ("Mortgagor") of the above-referenced housing development, pursuant to the Mortgagor's basic document of organization, I am hereby requesting that the premium management fee be paid to the management agent listed above. Furthermore, I hereby certify that I am authorized to approve the payment of the premium management fee on behalf of the Mortgagor, and that the Michigan State Housing Development Authority ("MSHDA") can rely on this certification without further inquiry. I further acknowledge that payment will be approved only if the requirements established by MSHDA have been met.

**Mortgagor:**\_\_\_\_\_ **Agent:**\_\_\_\_\_

**By:**\_\_\_\_\_ **By:**\_\_\_\_\_

**Its:**\_\_\_\_\_ **Its:**\_\_\_\_\_

**Date:**\_\_\_\_\_ **Date:**\_\_\_\_\_

**Approval - Michigan State Housing Development Authority**

Your request for a premium management fee has met the established criteria and is hereby accepted.

**By:** \_\_\_\_\_

**Its:** Director, Office of Asset Management

**Date:** \_\_\_\_\_

**\*NOTE:** **Modification of this form is expressly prohibited, except by prior permission from authorized Authority staff.**